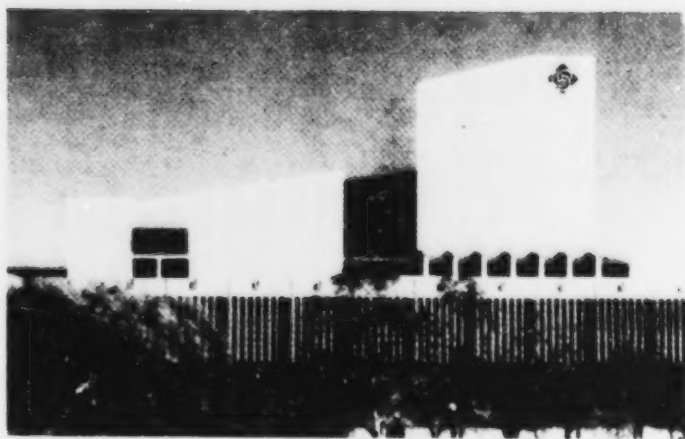


1998—99

ANNUAL REPORT



Saskatchewan Centre of the Arts



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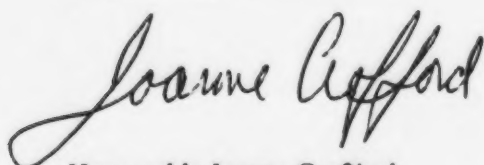
Letter of Transmittal

To His Honour
The Honourable J.E.N. Weibe
Lieutenant Governor
Province of Saskatchewan

May it Please Your Honour:

In accordance with Section 20 (1) of the Saskatchewan Centre of the Arts Act (Chapters S-10 R.S.S. 1978), I hereby submit the Twenty-Ninth Annual Report on the activities of the Centre for the period from April 1, 1998 to March 31, 1999.

Respectfully submitted.



Honourable Joanne Crofford
Minister in Charge



Letter From the Chair

The Saskatchewan Centre of the Arts is pleased to submit the 1998-99 Annual Report. The Centre has had an exciting year where our building has undergone extensive renovations to repair, rejuvenate and address serious building code deficiencies.

In spite of the major renovations the Centre was host to approximately a quarter of a million guests, young and old, from all over the province and northern States. Our guests came to enjoy performances such as Tom Jones, The Rankins, Michael Burgess, Matchbox 20, Dance Recitals, BB King, Susan Aglukark, Diana Krall, Frank Mills, Bananas in Pyjamas, Stompin' Tom, Dracula, Grease, Lord of the Dance, Il Travatore - just to name a few.

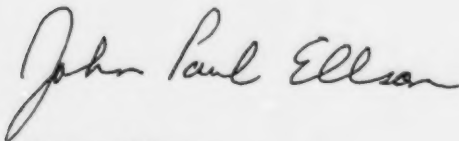
Thousands of parents sat in our theatre and enjoyed the experience of watching their children perform with groups such as the Lions Band, the Regional Air Cadets, Regina Catholic High School Choirs, and numerous dance troupes. There were also thousands of parents who witnessed their children at high school and university convocations being honoured for their academic achievements.

In addition to the many spectacular performances enjoyed at the Centre our Convention and Catering facilities hosted several major conferences and events such as Credit Union Central, Highland Dance Championships, Saskatchewan Federation of Labour, Saskatchewan School Trustees and numerous charity events which raised money for many of our community's worthwhile causes. The Centre continues to serve the community of Regina and surrounding areas — the home of many memories.

On behalf of the Saskatchewan Centre of the Arts Board of Directors, I commend the Centre staff for their hard work and dedication.

In accordance with Section 20(1) of the Saskatchewan Centre of the Arts Act (Chapter S-10, R.S.S. 1978), I hereby submit the Twenty-Ninth Annual report on the activities of the Centre for the period April 1, 1998 to March 31, 1999.

Sincerely,



John-Paul Ellson
Chair



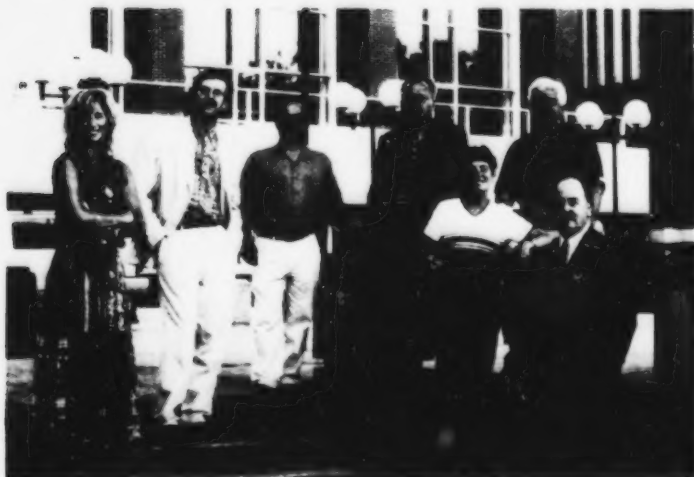
Board of Directors

Board of Directors

John Paul Ellson—Chair
Lloyd Boutilier—Vice-Chair

Honourable Joanne Crofford—Minister in Charge

Glayne Axtell—Regina
Lori Gay Gallaway—Estevan
Mark Hetherington—Regina
Patricia Karpa—Kamsack
Sandra Kerr—Regina
Bryan Leier—Sedley
Don List—Regina
Bill Wells—Regina
Dan Welsh—Regina



Left to Right—Lori Gay Gallaway, Bryan Leier, Don List,
John Paul Ellson, Glayne Axtell, Dan Welsh, Lloyd Boutilier

Patrons

Patrons Council Members

H.B. Bell Family

Doris and Charles Knight

Dr. Morris and Jacqui Shumiatcher

Alford Floors and Interiors

Cable Regina

Crown Life Insurance

Greystone Capital Management

Pepsi-Cola Canada Beverages

SaskTel

Taylor Automotive Group

Management

Management

Jim McCrum - Executive Director

Pat Beanland - Finance & Administration Manager

Neil Donnelly - Theatre Services Manager

Leo Pantel - Executive Chef

Colette Perras—Bar Services Manager

Jerry Senko - Theatre & Operations Manager

Lynn Severt - Client Services Manager

Mission and Goals

Mission

To enhance the quality of life of the people of Saskatchewan by providing exceptional facilities, programs and services for entertainment, educational and cultural activities in a cost effective manner.

Goals

To provide quality facilities, programs and services for entertainment, educational and cultural activities.

To contribute positively to the artistic, entertainment, educational and cultural communities in southern Saskatchewan.

To promote the use of the Centre. To engage in entrepreneurial activities which will lead towards operational self sufficiency.

To develop a positive relationship with government, media, public and all related organizations and individuals.

To actively solicit funds from non-government sources to further the objectives of the Centre.

To achieve a high level of morale and productivity and to provide opportunity for positive staff development.

To operate in a fiscally responsible manner.

Executive Director's Report

This past year has been very eventful at the Saskatchewan Centre of the Arts. Extensive construction work to the Centre has been continual throughout the year and should be completed by late 1999. This renovation project undertaken by Saskatchewan Property Management Corp. will address the Centre's building structure, mechanical systems, health and safety issues as well as accessibility concerns. We appreciate the efforts of John Law, Paul Nepper and many other individuals on the SPMC team that are involved in coordinating this project.

It is very comforting to know that when this project is completed, our state of the art facility will once again be the pride of our community.

The Staff at the Centre experienced many challenges in their attempts to provide first quality service to our clients amidst the tremendous amount of dust and noise. Our slogan for this year was "Pardon our Stardust...We're Renovating". I congratulate our great staff for their efforts and thank our clients very much for their understanding.

Throughout the renovation process we remain focused on the goals of the Centre when making construction or equipment upgrade decisions. Improvements being made will enable the Centre to offer an even greater variety of programming and services to the entire community.

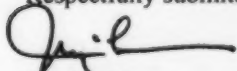
Many of the esthetic and equipment upgrades soon to be addressed at the Centre are largely due to the generous contributions made by our Patrons Council Members. Donations made by these individuals and corporations will ensure that the Centre will be able to offer first quality services for years to come.

We closed our doors for two months (July and August) to accommodate some of the major repairs, and worked for the remainder of the year making whatever arrangements were necessary to continue with the construction while continuing with business. While this was not an easy task for either party we have survived, and have completed the year with a balanced budget. In spite of the loss of business due to the construction, the Centre is pleased to report that in 1998-99 our Catering revenue hit an all time record - exceeding one million dollars for the first time in history.

The Centre was host to a wide array of quality local, national and international events and performances once again this year. Of particular interest - this year the Centre was host to the National Aboriginal Achievement Foundation Awards, filmed for national television. The Centre's stage was transformed into a rain forest, complete with waterfalls, real trees, massive totem poles - a most spectacular, first class event.

We are grateful to the government and the people of Saskatchewan for the tremendous support we have received in our attempts to rejuvenate such an important community treasure.

Respectfully submitted,



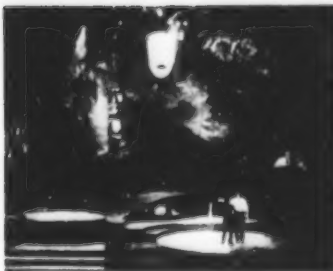
Jim McCrum,
Executive Director



To Provide quality facilities, programs and services for entertainment
educational and cultural activities

Facilities

*The National Aboriginal
Achievement Foundation
Awards in Shirley Bell
Theatre*



As a permanent commemoration of Canada's Confederation, the Centre provides outstanding theatrical facilities, convention space and meeting rooms. The Centre was designed to serve southern Saskatchewan as a Centre for all activities. Overlooking Wascana Lake, the Centre is a striking structure of dark brown Estevan brick with soft creamy white accents of Manitoba Tyndall stone.

The Centre provides over 1,000 paved parking spaces and is set in a beautifully landscaped 31 acre site.

Shirley Bell Theatre

A 2033 person accoustically perfect theatre is the heart of the Centre. The grand drape conceals a stage capable of handling the largest musical or dramatic productions and the front section of the stage may be hydraulically raised or lowered providing an orchestra pit capable of handling up to 100 musicians.

H.B. Bell Family Lobby

Interior and exterior balconies and five magnificent windows are complemented by the pristine beauty of Wascana Park. This spacious and elegant room is the ultimate in luxury.

Doris Knight Hall

Located in Hanbidge Convention Level, this convention and banquet hall is remarkably flexible—great for large banquets, commercial displays and cabarets.

Jacqui Shumiatcher Room

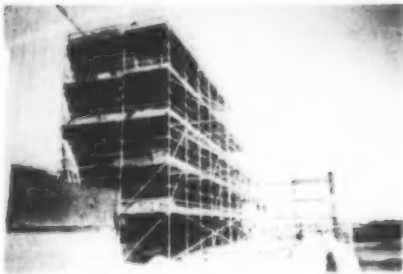
This versatile space is ideal for smaller, more intimate gatherings—theatre productions or private banquets. The room's warmth and intimacy enhances any occasion.

Other smaller, more private rooms are also available.

Facilities

The Saskatchewan Centre of the Arts was fortunate to have Saskatchewan Property Management Corporation (SPMC) proceed with a major renovation project to address structural concerns and building code infractions. The results of this major project can be seen inside and outside of the building, from the exterior brown brick-work being replaced with a creamy white Tyndall Stone, to the washrooms, where the number of facilities has increased and accessibility issues have been addressed. The Shumiatcher theatre features a new ramp making it accessible to all. Fire code issues have been addressed to meet current code requirements including emergency stairwell exits. The installation of an elevator on the west side of the building will improve access. Sprinkler systems, electrical wiring, boiler systems, sewer lines, etc. have been installed, repaired or replaced to ensure the Centre of the Arts will continue to enhance the lives of our children and future generations.

Renovations continued throughout the year



To actively solicit funds from non-government
sources to further the objectives of
the Centre

Fund Solicitation

The Centre strives to attract funding from both the corporate and private community and in doing so we are able to further the objectives of the Centre and develop community support in Saskatchewan. The Centre continues to form relationships with local businesses in a way that is beneficial to their sales objectives and the Centre's goals. Sponsorship of Arts and Entertainment performances attract corporations who benefit by their involvement with events that reach such a diverse group of the community.

The Centre's Capital Campaign Fund continues to be successful due to the ongoing support of private individuals and corporations who recognize the Centre as an important part of the community. Thanks to the commitment from our 'Patrons Council Members' the Centre has been able to continue with our capital programming improvements. In 1998-99 the Centre was able to update our audio visual equipment including replacement of Overhead Projectors, Projection Screens, Television & VCR equipment. We have begun a long overdue signage program and have installed a locator display map in the front entry. We have equipped our meeting rooms with internet connection capabilities.

The Centre has undergone a major structural renovation in 1998-99 undertaken by SPMC that, when complete, will allow the Centre to complete capital programming improvements in all areas of the Centre.

Our Patrons Council Members include:

H.B. Bell Family
Charles & Doris Knight
Dr. Morris & Jacqui Shumatcher
Taylor Automotive Group
Cable Regina
SaskTel
Alford Floors & Interiors
Pepsi-Cola Canada Beverages
Greystone Capital Management
Crown Life Insurance

Through the generous donations from these individuals and businesses the Centre will be rejuvenated. It will once again become the magnificent, state of the art, multi-purpose facility it once was and the pride of our community.

Donations made to the Centre's Capital Campaign will also assist in establishing a long term fund which will ensure that the Centre is able to provide first quality services for years to come.

To develop a positive relationship with government, media, public and all related organizations and individuals

Relationships

The Saskatchewan Centre of the Arts has many partners including our tenants, individuals within the arts community, the youth, our patrons and the Saskatchewan public.

The Saskatchewan Centre of the Arts is home to three tenants. The Regina Symphony Orchestra, the Saskatchewan Arts Board, and the Youth Ballet Company of Saskatchewan.

Beyond The Mainstage

*Festival of Trees brightened
the Centre in November*



To contribute positively to the artistic, entertainment,
educational and cultural communities in southern
Saskatchewan

Serving Communities

The versatility of the Saskatchewan Centre of the Arts is evident in the variety of events that the Centre services. In addition to our world renowned performing arts theatre - Shirley Bell Theatre - the Centre is also well known for its award-winning catering facilities and services.

Throughout the country, performing arts theatres are facing difficult times through reduced funding and unstable economic times. It was with great foresight that the founders of the Saskatchewan Centre of the Arts thought to include a convention/catering facility that would grow over the years to help sustain the fine performing arts facility that is available to the citizens of Saskatchewan. Patrons utilizing the Centre's convention and catering facilities not only enjoy high quality services available at competitive prices - they also take pride in the fact that through the use of these fine facilities they are helping to support the performing arts in Saskatchewan.

Whether you're coming to enjoy The Regina Symphony Orchestra at its best - or to enjoy a night of comedy with Mike McDonald, the Centre is making memories. If you've graduated from a Regina or surrounding area school or University - you have probably shone on stage at the Saskatchewan Centre of the Arts; if you've danced in a recital or been in a choir - or part of a band - your proud parents have beamed in the audience while your outstanding performance plays on.

The Saskatchewan Centre of the Arts is proud to be a part of your memories.

Serving Communities

THEATRE STATISTICS

*Michael Burgess comes
home!*

Totals

Events

86

Attendance

96,657



CONVENTION STATISTICS

Totals

Events

621

Attendance

134,527



Serving Communities



The Shirley Bell Theatre once again played host to a wide variety of events in 1998-99.

April 1998

The Optimist Band Festival
Tom Jones
Regional Air Cadets
Regina Symphony Orchestra
Fire and Ice
Regina Philharmonic Chorus
Brahm's Requiem

May 1998

Regina Symphony Orchestra
Happy Birthday RSO
Michael Burgess
Ken Goff Memorial Boxing
Matchbox 20
O'Neill High School
Disney Magic
The Rankins
Dance Plus
2 Performances
Youth Ballet of Saskatchewan
Virsky Ukrainian Dance Ensemble
BB King
Myers Dance Centre
Dance Capers

June 1998

Danskapades '98 - Martin School of Dance
Recital - 2 Performances
Susan Aglukark
Diana Krall

*B.B. King thrilled patrons
with his powerful and
mesmerizing performance..*

Serving Communities



*Victor Sawa, Music Director
Regina Symphony Orchestra*



September 1998

Regina Symphony Orchestra
The Late Romantics
Regina Symphony Orchestra
Celery Stalks at Midnight
Frank Mills
The King Singers

October 1998

Regina Symphony Orchestra
The Beethoven Concert
Stompin' Tom
Bananas in Pyjamas
Regina Symphony Orchestra
Celtic Invasion
Royal Winnipeg Ballet
Dracula
Regina Symphony Orchestra
Halloween Hoot

Stompin' Tom Connors

Serving Communities

November 1998

Grease

2 Performances

Regina Symphony Orchestra

The Colors of the Orchestra

Watchmen

2 Performances

Connie Kaldor

Regina Symphony Orchestra

A Swinger and a Miss

Don Williams

Regina Catholic High Schools Recital

Paul Brandt



December 1998

Huron Carole Benefit Concert

Regina Lions Band - Recital

Regina Symphony Orchestra

Voices of Christmas

White Night New Year's Eve

January 1999

A Salute to Vienna

GWE Magic Show

2 Performances

Tommy Hunter

Regina Symphony Orchestra

The Northern Composers

RCMP—Color of Pride



Connie Kaldor
November 20th



Paul Brandt, November 28th

Serving Communities

February 1999

Lord of the Dance

Regina Symphony Orchestra

The French Horn

Opera Saskatchewan -

Il Trovatore—2 Performances

Opera Saskatchewan
Il Trovatore



March 1999

Regina Symphony Orchestra

The Road to Carnegie Hall

National Aboriginal Achievement

Awards

Mike McDonald

Optimist Band Festival

Kitty Wells

Regina Symphony Orchestra -

Virtuosity

John Kerry
Star of
Lord of the Dance



To promote the use of the Centre of the Arts To engage in entrepreneurial activities which will lead towards operational self sufficiency

Entrepreneurial Activities

1998-99 fiscal year saw the Centre of the Arts create, produce and present a variety of exciting projects.

In September 1998 the Centre of the Arts was proud to co-present the 4th Annual 50 Plus Show with X-L Enterprises. The show was a huge success, with thousands of seniors visiting trade show booths, enjoying a fashion show and attending various seminars.

We also co-presented The Most Incredible Bridal Show with X-L Enterprises. We presented our third annual mega Christmas Craft and Gift Show with over 200 artists displaying their goods. Western Show Productions teamed up with the Centre in May of 1999 to present the First Annual Golf Expo.

White Night non-alcohol New Years Eve celebration was again Regina's largest Family New Year's Eve celebration.



The Most Incredible Bridal Show



50+ Show patrons had the opportunity to view the "World's Largest Tablecloth" which was made by Seniors groups from across Saskatchewan.



White Night Fireworks dazzled thousands at Midnight on New Year's Eve.

To achieve a high level of morale and productivity and to
provide opportunity for positive staff development.

Our Staff

The Saskatchewan Centre of the Arts operates with a very small permanent support staff contingent of 24 people.

We credit our excellence in client service satisfaction to the hard work and dedication of the many part-time people who work in our front of the line positions - from the moment you drive into the facility until you pick up your hat and coat to head for home, our staff help to ensure a pleasant experience at the Centre.

As ambassadors of Saskatchewan Centre of the Arts all staff respect the needs of clients, perform tasks responsibly, professionally and cordially, and act in a manner that assumes honesty and integrity to enhance our customers experiences.

These are but a few of the dedicated staff at the Saskatchewan Centre of the Arts



The Saskatchewan Centre of the Arts - Management Report—March 1999

The Saskatchewan Centre of the Arts - Management Report - March 1999.

The management of the Saskatchewan Centre of the Arts is responsible for the integrity of the accompanying financial statements and all other information in this Annual Report. It is the responsibility of management to prepare financial statements in accordance with generally accepted accounting principles in Canada.

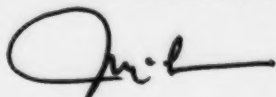
The accounting systems used by the Centre include an appropriate system of internal controls to provide reasonable assurance that:

- transactions are authorized;
- the Centre's assets are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other information;
- the accounts are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other financial information;

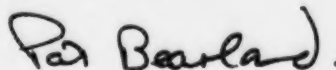
Management is responsible for providing reasonable assurance to the board that the board's financial information satisfies standards of validity and reliability. The Board reviews financial information prepared by management and discusses relevant matters with management.

The Provincial Auditor of Saskatchewan has audited the Saskatchewan Centre of the Arts' financial statements as at March 31, 1999. The report to the Members of the Legislative Assembly, stating the scope of the examination and opinions on the financial statements, appears on the following page.

The financial statements have been examined and approved by the Board.



Jim McCrum
Executive Director
November 16, 1999



Pat Beanland
Manager, Finance & Administration

SASKATCHEWAN CENTRE OF THE ARTS FUND

FINANCIAL STATEMENTS

For the Year Ended March 31, 1999



Provincial Auditor Saskatchewan

1500 Chateau Tower
1920 Broad Street
Regina, Saskatchewan
S4P 3V7

Phone: (306) 787-6398
Fax: (306) 787-6383
Internet e-mail: info@auditor.sk.ca

AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Saskatchewan Centre of the Arts Fund as at March 31, 1999 and the statements of operations and changes in fund balances, and cash flows for the year then ended. The Centre's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 1999 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

Wayne Strelieff

Regina, Saskatchewan
May 3, 1999

Wayne Strelieff, CA
Provincial Auditor

**SASKATCHEWAN CENTRE OF THE ARTS FUND
STATEMENT OF FINANCIAL POSITION
As at March 31**

	1999			1998	
	General Fund	Campaign Fund	Impresario Fund	Total	Total
ASSETS					
Current:					
Cash (Note 3)	\$ (180,799)	\$ 411,681	\$ 139,852	\$ 370,734	\$ 149,834
Accounts receivable (Note 3)	286,560	---	---	286,560	328,837
Inventory	50,296	---	---	50,296	61,272
	156,057	411,681	139,852	707,590	539,943
Capital assets (Note 4)	38,554	8,794	---	47,348	85,056
	<u>\$ 194,611</u>	<u>\$ 420,475</u>	<u>\$ 139,852</u>	<u>\$ 754,938</u>	<u>\$ 624,999</u>
LIABILITIES AND FUND BALANCES					
Current:					
Accounts payable and accrued charges (Note 3)	\$ 277,639	\$ ---	\$ ---	\$ 277,639	\$ 502,102
Advance sales and deposits (Note 3)	699,998	---	---	699,998	566,851
Current portion of obligation under capital leases	---	---	---	---	4,817
	<u>977,637</u>	<u>---</u>	<u>---</u>	<u>977,637</u>	<u>1,073,770</u>
Fund balances:					
Invested in capital assets	38,554	8,794	---	47,348	85,056
Externally restricted	---	351,682	---	351,682	181,672
Internally restricted (Note 9)	---	59,999	139,852	199,851	182,757
Unrestricted	(821,580)	---	---	(821,580)	(898,256)
Total Fund balances (Statement 2)	<u>(783,026)</u>	<u>420,475</u>	<u>139,852</u>	<u>(222,699)</u>	<u>(448,771)</u>
	<u>\$ 194,611</u>	<u>\$ 420,475</u>	<u>\$ 139,852</u>	<u>\$ 754,938</u>	<u>\$ 624,999</u>

(See accompanying notes to the financial statements)

SASKATCHEWAN CENTRE OF THE ARTS FUND
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
For the Year Ended March 31

	Unrestricted Funds				Restricted (Note 8)	
	General Fund		Impresario Fund		Campaign Fund	
	1999	1998	1999	1998	1999	1998
	Budget (Note 6)	Actual				
Revenues (Schedule 1)	\$ 2,779,000	\$ 2,902,996	\$ --	\$ --	\$ --	\$ --
Cost of sales (Schedule 1)	1,621,589	1,764,210	--	--	--	--
Gross profit (Schedule 1)	1,157,411	1,138,786	--	--	--	--
Donations	--	--	--	--	183,201	161,672
Total revenues	1,157,411	1,138,786	--	--	183,201	161,672
Expenses:						
Salaries and benefits	926,744	966,219	--	--	--	--
Utilities	336,000	320,370	--	--	--	--
Amortization	100,000	58,186	--	--	4,397	--
General and administration	164,200	171,743	--	--	--	--
Total expenses	1,526,944	1,516,518	--	--	4,397	--
(Deficiency) excess of revenues over expenses before grant	(369,533)	(377,732)	--	--	178,804	161,672
Grant from the General Revenue Fund	425,000	425,000	--	--	--	--
Excess (deficiency) of revenues over expenses	\$ 55,467	47,268	--	--	178,804	161,672
Fund balances, beginning of year						20,000
Interfund transfers (Note 9)		(813,200)	122,758	237,109	241,671	59,999
Fund balances, end of year (Statement 1)		(17,094)	17,094	(114,351)	--	--
		\$ (783,026)	\$ (813,200)	\$ (643,174)	\$ 420,475	\$ 241,671

(See accompanying notes to the financial statements)

Statement 3

SASKATCHEWAN CENTRE OF THE ARTS FUND
STATEMENT OF CASH FLOWS
As at March 31

	<u>1999</u>	<u>1998</u>
Cash flows from operating activities:		
Excess (deficiency) of revenues over (expenses) in General Fund (Statement 2)	\$ 47,268	\$ (32,910)
Items not affecting cash:		
Amortization in General Fund	58,186	115,213
Change in non-cash working capital:		
Decrease in accounts receivable	42,277	83,863
Decrease (increase) in inventory	10,976	(3,227)
(Decrease) increase in accounts payable and accrued charges	(224,463)	118,448
Increase (decrease) in advance sales and deposits	<u>133,147</u>	<u>(212,308)</u>
Cash flows from operating activities	<u>67,391</u>	<u>69,079</u>
Cash flows (used in) investing activities:		
Purchase of capital assets	<u>(24,875)</u>	<u>(79,183)</u>
Cash flows from financing activities:		
Principal payments under capital lease obligations	(4817)	(6339)
Donations	<u>183,201</u>	<u>161,672</u>
Cash flows from financing activities	<u>178,384</u>	<u>155,333</u>
Net increase in cash	220,900	145,229
Cash, beginning of year	<u>149,834</u>	<u>4,605</u>
Cash, end of year	<u><u>\$ 370,734</u></u>	<u><u>\$ 149,834</u></u>

(See accompanying notes to the financial statements)

SASKATCHEWAN CENTRE OF THE ARTS FUND
NOTES TO THE FINANCIAL STATEMENTS
March 31, 1999

1. Status of Centre

The Board of the Saskatchewan Centre of the Arts was established by *The Saskatchewan Centre of the Arts Act*, to maintain, operate and manage the Saskatchewan Centre of the Arts in Regina. The Act also established the Saskatchewan Centre of the Arts Fund through which all financial transactions are conducted which relate to accomplishing the purposes of the Act.

The activities of the Saskatchewan Centre of the Arts are dependent on funding from the General Revenue Fund.

2. Significant Accounting Policies

These financial statements have been prepared using generally accepted accounting principles for not-for-profit organizations. The Saskatchewan Centre of the Arts Fund follows the restricted fund method of accounting for contributions. The Saskatchewan Centre of the Arts Fund (Fund) is comprised of three funds; two of which are unrestricted in nature while the other is subject to external restrictions.

The General Fund accounts for the organization's operating activities. This fund reports unrestricted resources and holds the Centre's administrative capital assets.

The Impresario Fund is an internal appropriation of funds to be used for supporting and promoting the arts. This fund has no external restrictions.

The Campaign Fund reports assets, liabilities, revenues and expenses related to the Centre's campaign to raise funds to begin to address replacement of its programming equipment and the rejuvenation of the overall appearance of the Centre. The Campaign Fund reports resources contributed to this capital asset campaign.

The following accounting policies are considered to be significant:

a) Accrual Basis

The financial statements are prepared on the accrual basis of accounting.

b) Revenue Recognition

For the General Fund, revenue is recognized at the date of the performance and is recorded net of payments to promoters.

Donations externally restricted to the Campaign Fund are recorded as revenue when collection is certain.

c) Grant from the General Revenue Fund

The grant provided from the General Revenue Fund through the Department of Municipal Affairs, Culture and Housing is accrued in the current year if the necessary order in council authority is in place prior to the year end.

d) Capital Assets

Capital assets are recorded at cost. Amortization is provided for using the straight-line method over the expected useful life (ranges from 3 to 5 years) of the capital asset. The Centre capitalizes capital assets costing more than \$1,000. Capital assets costing less than \$1,000 are expensed in the year of acquisition.

Amortization is recorded in the fund where the related capital assets reside.

e) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined on a first in, first out basis.

f) Cash

Cash consists of balances with the bank.

3. Financial Instruments

The Centre's financial instruments include cash, accounts receivable, accounts payable and accrued charges, and advance sales and deposits. These items have a fair value that approximates their carrying value due to the immediate or short-term nature of these financial instruments.

4. Capital Assets

a) General Fund

	1999		1998
	Cost	Accumulated Amortization	Net Book Value
Equipment	<u>\$ 2,211,669</u>	<u>\$ 2,173,115</u>	<u>\$ 38,554</u>
			<u>\$ 85,056</u>

b) Campaign Fund

	1999		1998
	Cost	Accumulated Amortization	Net Book Value
Equipment	<u>\$ 13,191</u>	<u>\$ 4,397</u>	<u>\$ 8,794</u>
			<u>\$ —</u>

5. Building and Site

The building and site have been leased by the Saskatchewan Property Management Corporation (SPMC) to the Saskatchewan Centre of the Arts for an annual rental of one dollar. The terms of the lease provide for the Centre to keep the building, and all other property contained therein, in good repair and condition with the provision that any major maintenance, renovations and construction project costing in excess of \$5,000 shall be the responsibility of SPMC. In addition, SPMC is responsible for charges by the Wascana Centre for services to the site and building as stipulated under *The Wascana Centre Act*.

6. Budget

These amounts represent the budget approved by the Centre's Board of Directors on April 22, 1998.

7. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, departments, agencies, boards and commissions related to the Centre by virtue of common control or significant influence by the Government of Saskatchewan (collectively referred to as "related parties").

Routine operating transactions with related parties are settled on normal trade terms. The following table summarizes the significant routine related party transactions for the year:

	<u>1999</u>	<u>1998</u>
Utilities	\$ 384,541	\$ 364,361
Employee benefits	130,051	121,224
Revenues	237,523	257,758

Other transactions and amounts due to and from related parties are described separately in the financial statements and the notes thereto.

In addition, the Centre pays Saskatchewan Education and Health Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

8. Externally Restricted Funds

In 1996, the Centre launched the Campaign Fund to raise funds to begin to address replacement of its capital assets including programming equipment and rejuvenation of the overall appearance of the Centre. The Campaign Fund has raised \$ 364,873 to date from external sources. Capital assets of \$13,191 have been purchased with these funds; therefore \$351,682 remains available to acquire capital assets for the campaign fund.

9. Interfund Transfers and Internally Restricted Funds

The Board internally restricts funds for specific purposes. During 1998/99, the Board transferred \$17,094 from the General to the Impresario Fund. In 1997/98, the Board transferred \$114,351 previously restricted for impresario purposes into the General and Campaign Funds. Internally restricted amounts are not available for other purposes without approval of the Board of Directors.

10. Uncertainty due to the Year 2000 Issue

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than that date. The effects of the Year 2000 Issue may be experienced before, on, or

after January 1, 2000, and, if not addressed, the impact on operations and financial reporting may range from minor errors to significant systems failure, which could affect an entity's ability to conduct normal business operations. It is not possible to be certain that all aspects of the Year 2000 Issue affecting the entity, including those related to the efforts of customers, suppliers, or other third parties, will be fully resolved.

11. Comparative Information

Certain comparative figures have been reclassified to conform with the current year's presentation.

SASKATCHEWAN CENTRE OF THE ARTS FUND
SCHEDULE OF REVENUE AND COST OF SALES FOR THE GENERAL FUND
For the Year Ended March 31

	<u>1999</u>		<u>1998</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	(Note 6)		
Revenue:			
Catering	\$ 850,000	\$ 1,002,405	\$ 900,079
Service charges	771,000	746,274	779,445
Rentals	398,000	396,264	401,995
Refreshment bar	327,000	415,226	417,330
Centre presents sales (Impresario)	—	—	1,644
Commissions	190,000	131,929	205,659
Office rental	50,000	61,408	76,477
Car park	60,000	24,583	58,234
Sundry	57,000	58,107	41,513
Seat surcharge	49,000	30,285	60,018
Coat check	19,000	16,203	22,170
Investment Income	<u>8,000</u>	<u>20,312</u>	<u>6,067</u>
Total revenue (Statement 2)	<u>2,779,000</u>	<u>2,902,996</u>	<u>2,970,631</u>
Cost of sales:			
Salaries and benefits	828,644	864,468	793,562
Food and beverages	412,920	515,525	455,704
Supplies, services and maintenance	278,875	256,878	308,683
Centre presents talent fees (Impresario)	10,000	13,190	176,014
Other	<u>91,150</u>	<u>114,149</u>	<u>139,021</u>
Total cost of sales (Statement 2)	<u>1,621,589</u>	<u>1,764,210</u>	<u>1,872,984</u>
Gross profit (Statement 2)	<u>\$ 1,157,411</u>	<u>\$ 1,138,786</u>	<u>\$ 1,097,647</u>